

CONSUMERS ILLINOIS WATER COMPANY  
Kankakee Water Division  
Rate Case Docket No. 00-

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D. Leppert

Period Reported: 1998 - 2001  
Prior Year (1999) 12 Mo. Actual

### Allowance for Funds Used During Construction

<u>Line</u>	<u>Information</u> <u>(A)</u>	1998 <u>(B)</u>	1999 <u>(C)</u>	2000 <u>(D)</u>	2001 <u>(E)</u>
1	Amount of AFUDC Generated	\$1,219	\$0	\$46,444	\$0
2					
3	Amount of AFUDC Transferred to Plant	1,219	0	46,444	0
4					
5	AFUDC Rate	10.14%	N/A	5.55%	N/A
6					
7					
8					
9	<u>Narrative Summary of AFUDC Policy:</u>				
10					
11	CIWC records allowance for funds used during construction (AFUDC) on all Company invested capital funds which are				
12	in CWIP for over 30 days. The allowance is computed using the formula detailed in 83 Illinois Administrative Code,				
13	Sections 605.120 and 650.120, respectively.				

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## Cash Working Capital

<u>Line</u>	Individual Component and Calculation Methodology (A)	Amount (B)	Supporting Workpapers or Schedules (C)
	<u>Cash Working Capital:</u>		
1	Total Operating Expenses (Pre Income Taxes)	\$6,605,535	WP-C1, Col. H, line 26
2	Less:		
3	Uncollectible Accounts Expense	79,139	WP-C1, Col. H, line 18
4	Annual Amortization of Rate Case Expense	152,333	WP-C1, Col. H, line 17
5	Depreciation Expense	1,145,723	WP-C1, Col. H, line 21
6	Real Estate Tax Expense	112,669	C-19, Col. C, line 16
7	Operating Expense Requiring Working Capital	5,115,671	
8	45 (lag days) / 360 (30 day month year)	12.50%	
9	TOTAL:	639,459	

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Period Reported: 1998 - 2001  
Prior Year (1999) 12 Mo. Actual

**Materials and Supplies**

<u>Line</u>	<u>Description</u>  <u>(A)</u>	M&S Actual Balances 1998 <u>(B)</u>	M&S Balances 1999 <u>(C)</u>	M&S Projected Balances 2000 <u>(D)</u>	M&S Projected Balances 2001 <u>(E)</u>
1	Month End:				
2	December (prior year)	\$250,454	\$281,860	\$227,087	\$240,622
3	January	246,166	242,896	240,622	243,189
4	February	223,231	243,357	240,622	243,189
5	March	243,007	242,919	240,622	243,189
6	April	278,871	244,159	240,622	243,189
7	May	328,770	227,312	240,622	243,189
8	June	319,421	245,681	240,622	243,189
9	July	287,137	238,808	240,622	243,189
10	August	282,123	232,636	240,622	243,189
11	September	292,616	231,387	240,622	243,189
12	October	272,142	202,766	240,622	243,189
13	November	249,704	220,806	240,622	243,189
14	December	281,860	227,087	240,622	243,189
15	Subtotal	3,555,502	3,081,674	3,114,549	3,158,887
16					
17	13 Month Average	\$273,500	\$237,052	\$239,581	\$242,991

Note - Assume a 1.506% increase for projected years.

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**Materials and Supplies**

<u>Line</u>	<u>Description</u> <u>(A)</u>	M&S Accts. Pay. Actual Balances 1998 <u>(B)</u>	M&S Accts. Pay. Actual Balances 1999 <u>(C)</u>	M&S Accts. Pay. Projected Balances 2000 <u>(D)</u>	M&S Accts. Pay. Projected Balances 2001 <u>(E)</u>
1	Month End:				
2	December (prior year)	\$0	\$0	\$0	\$0
3	January				
4	February				
5	March				
6	April	The Company does not maintain an Accounts Payable - M&S account.			
7	May				
8	June				
9	July				
10	August				
11	September				
12	October				
13	November				
14	December				
15	Subtotal	0	0	0	0
16					
17	13 Month Average	\$0	\$0	\$0	\$0

## Accumulated Deferred Income Taxes - Total

Period Reported: 1998 -2001  
Prior Year (1999) 12 Mo. Actual

Debit / (Credit)		ICC & CIWC	Description of Event	ADIT as of	ADIT as of	AFIT Ave.	ADIT as of	AFIT Ave.	Projected	Proj. ADIT Ave.	Projected	Proj. ADIT Ave.
Line	Components	Account #	(C)	12/31/97	12/31/98	1998	12/31/99	12/31/99	12/31/00	12/31/00	12/31/01	12/31/01
(A)	(B)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)
1	Allow. for Doubtful Accts 7.18% SIT & FIT	283	See Column A	\$ 10,025	\$ 28,044	\$ 19,035	\$ (33,645)	\$ (2,801)	\$ (33,645)	\$ (33,645)	\$ (33,645)	\$ (33,645)
2	Allowance for Doubtful Accts 6.40% SIT	190		1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458
3	Oak Run Negative Excess Depreciation	282		(18,133)	(17,515)	(17,824)	(16,899)	(17,207)	(16,284)	(16,592)	(15,669)	(15,977)
4	Overheads and Other	283		(1,072,719)	(1,373,798)	(1,223,259)	(1,648,512)	(1,510,155)	(1,335,789)	(1,491,151)	(1,255,550)	(1,295,670)
5	Depreciation-Plant Held for Future Use	283		(28,709)	(31,902)	(30,306)	(31,902)	(31,902)	(35,095)	(33,499)	(38,288)	(36,892)
6	Bourbonnais Gain	283		(207,051)	(207,051)	(207,051)	(207,051)	(207,051)	(207,051)	(207,051)	(207,051)	(207,051)
7	Alternative Minimum Tax	190		164,247	164,247	164,247	164,247	164,247	164,247	164,247	164,247	164,247
8	Deferred State Income Tax	190		35,653	35,653	35,653	35,653	35,653	35,653	35,653	35,653	35,653
9	Tank Painting @ 46% FIT, 6.40% SIT	283		(28,204)	(21,171)	(24,688)	(13,781)	(17,476)	(6,391)	(10,086)	-	(3,196)
10	Pension	190		12,593	6,295	9,444	11,903	9,099	17,510	14,707	23,118	20,314
11	Tank Painting @ 34% FIT, 7.18% SIT	283		(4,405)	15,848	5,722	41,527	28,888	(177,254)	(67,864)	(187,726)	(182,490)
12	Rate Case Amortization	190		76,739	232,074	154,407	407,696	319,885	232,690	320,193	182,120	207,405
13	Software Development	283		(16,329)	(16,329)	(16,329)	(16,329)	(16,329)	(16,329)	(16,329)	(16,329)	(16,329)
14	Post-retirement Benefits	190		55,507	55,507	55,507	55,507	55,507	55,507	55,507	55,507	55,507
15	Excess Tax Depreciation	282		(8,871,932)	(9,437,526)	(9,154,729)	(9,964,113)	(9,700,820)	(10,172,876)	(10,068,495)	(10,599,851)	(10,386,364)
16	Cost of Removal / Loss	283		(542,511)	(548,223)	(545,367)	(548,798)	(548,511)	(548,798)	(548,798)	(548,798)	(548,798)
17	Contributions in Aid of Construction	190		3,637,337	3,637,337	3,637,337	3,637,337	3,637,337	3,637,337	3,637,337	3,637,337	3,637,337
18	Customer Advances	190		18,167	18,167	18,167	18,167	18,167	18,167	18,167	18,167	18,167
19	Alternative Minimum Tax	190		218,082	167,266	192,674	221,249	194,258	221,249	221,249	221,249	221,249
20	Miscellaneous	283		(39,610)	(39,610)	(39,610)	(39,610)	(39,610)	(39,610)	(39,610)	(39,610)	(39,610)
21	FASB 109 ITC	190		235,509	203,863	219,686	172,218	188,041	140,573	156,396	108,928	124,751
22	FASB 109 Rate Change	190		584,207	584,207	584,207	584,207	584,207	584,207	584,207	584,207	584,207
23	FASB 109 Flow Through	190		(256,662)	(256,662)	(256,662)	(256,662)	(256,662)	(256,662)	(256,662)	(256,662)	(256,662)
24	1996 & 1997 State Tax Return	190		3,190	2,535	2,863	943	1,739	943	943	943	943
25	Tax effect Deferred SIT			-	40,480	20,240	79,125	59,803	79,125	79,125	79,125	79,125
26	1997 FIT Return Adjustment			-	(2,878)	(1,439)	(10,081)	(6,480)	(10,081)	(10,081)	(10,081)	(10,081)
27	Rev. - Excess Capacity at WBS			-	-	-	134,766	67,383	134,766	134,766	134,766	134,766
28	Rounding			(5)	(14)	(10)	(8)	(11)	(8)	(8)	(9)	(9)
29												
30	Total Deferred Income Taxes			\$ (6,033,556)	\$ (6,759,698)	\$ (6,396,627)	\$ (7,219,388)	\$ (6,989,543)	\$ (7,532,441)	\$ (7,375,915)	\$ (7,962,444)	\$ (7,747,443)

## Accumulated Deferred Income Taxes - Federal

Period Reported: 1998 -2001  
Prior Year (1999) 12 Mo. Actual

Debit / (Credit)	Components	CIWC & ICC Account #	Description of Event	DFIT as of 12/31/97	DFIT as of 12/31/98	DFIT Ave. 1998	DFIT as of 12/31/99	DFIT Ave. 12/31/99	Projected 12/31/00	Proj. DFIT Ave. 12/31/00	Projected 12/31/01	Proj. DFIT Ave. 12/31/01
Line	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Allowance for Doubtful Accounts	283	See Column A	\$ 7,286	\$ 22,163	\$ 14,725	\$ (29,025)	\$ (3,431)	\$ (29,025)	\$ (29,025)	\$ (29,025)	\$ (29,025)
2												
3	Oak Run Negative Excess Depreciation	282		(18,133)	(17,515)	(17,824)	(16,899)	(17,207)	(16,284)	(16,592)	(15,669)	(15,977)
4	Overheads and Other	283		(881,244)	(1,129,767)	(1,005,506)	(1,356,059)	(1,242,913)	(1,089,588)	(1,222,824)	(1,021,718)	(1,055,653)
5	Depreciation-Plant Held for Future Use	283		(26,735)	(29,371)	(28,053)	(29,371)	(29,371)	(32,007)	(30,689)	(34,644)	(33,326)
6	Bourbonnais Gain	283		(168,675)	(168,675)	(168,675)	(168,675)	(168,675)	(168,675)	(168,675)	(168,675)	(168,675)
7	Alternative Minimum Tax	190		164,247	164,247	164,247	164,247	164,247	164,247	164,247	164,247	164,247
8	Deferred State Income Tax	190		35,653	35,653	35,653	35,653	35,653	35,653	35,653	35,653	35,653
9	Tank Painting @ 46% FIT	283		(25,321)	(19,198)	(22,260)	(12,718)	(15,958)	(6,238)	(9,478)	-	(3,119)
10	Pension	190		8,778	3,578	6,178	8,231	5,905	12,884	10,557	17,537	15,210
11	Tank Painting @ 34%	283		(4,977)	11,745	3,384	33,053	22,399	-148,487	(57,717)	-157,176	(152,831)
12	Rate Case Amortization	190		56,255	184,506	120,381	330,233	257,370	185,017	257,625	143,055	164,036
13	Software Development	283		(13,302)	(13,302)	(13,302)	(13,302)	(13,302)	(13,302)	(13,302)	(13,302)	(13,302)
14	Post-retirement Benefits	190		45,219	45,219	45,219	45,219	45,219	45,219	45,219	45,219	45,219
15	Excess Tax Depreciation	282		(7,317,290)	(7,784,269)	(7,550,780)	(8,221,219)	(8,002,744)	(8,396,612)	(8,308,916)	(8,746,302)	(8,571,457)
16	Cost of Removal / Loss	283		(457,113)	(461,829)	(459,471)	(462,306)	(462,068)	(462,306)	(462,306)	(462,306)	(462,306)
17	Contributions in Aid of Construction	190		2,951,438	2,951,438	2,951,438	2,951,438	2,951,438	2,951,438	2,951,438	2,951,438	2,951,438
18	Customer Advances	190		15,125	15,125	15,125	15,125	15,125	15,125	15,125	15,125	15,125
19	Alternative Minimum Tax	190		218,082	167,266	192,674	221,249	194,258	221,249	221,249	221,249	221,249
20	Miscellaneous	283		(34,919)	(34,919)	(34,919)	(34,919)	(34,919)	(34,919)	(34,919)	(34,919)	(34,919)
21	FASB 109 ITC	190		211,609	182,988	197,299	154,368	168,678	125,748	140,058	97,128	111,438
22	FASB 109 Rate Change - Combined in '99	190		648,184	648,184	648,184	648,184	648,184	648,184	648,184	648,184	648,184
23	FASB 109 Flow Through	190		(223,285)	(223,285)	(223,285)	(223,285)	(223,285)	(223,285)	(223,285)	(223,285)	(223,285)
24				-	-	-	-	-	-	-	-	-
25	Tax effect Deferred SIT	190		-	40,480	20,240	79,125	59,803	79,125	79,125	79,125	79,125
26	1997 FIT Return Adjustment	283		-	(2,878)	(1,439)	(10,081)	(6,480)	(10,081)	(10,081)	(10,081)	(10,081)
27	Rev. - Excess Capacity at WBS						113,832	56,916	113,832	113,832	113,832	113,832
28	Rounding			(5)	(12)	(9)	(9)	(11)	(9)	(9)	(9)	(9)
29												
30	Total Deferred Income Taxes			\$ (4,809,123)	\$ (5,412,428)	\$ (5,110,776)	\$ (5,777,911)	\$ (5,595,170)	\$ (6,033,097)	\$ (5,905,504)	\$ (6,385,319)	\$ (6,209,208)

## Accumulated Deferred Income Taxes - State

Period Reported: 1998 -2001  
Prior Year (1999) 12 Mo. Actual

Debit / (Credit)	Components	CIWC & ICC	Description of Event	DSIT as of 12/31/97	DSIT as of 12/31/98	DSIT Ave. 1998	DSIT as of 12/31/99	DSIT Ave. 12/31/99	Projected 12/31/00	Proj. DSIT Ave. 12/31/00	Projected 12/31/01	Proj. DSIT Ave. 12/31/01
Line	(A)	Account #	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1	Bad Debt Reserve - 7.18%	283	See Column A	\$ 2,739	\$ 5,881	\$ 4,310	\$ (4,620)	\$ 631	\$ (4,620)	\$ (4,620)	\$ (4,620)	\$ (4,620)
2	Bad Debt Reserve - 6.40%	190		1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458	1,458
3	Oak Run Negative Excess Depreciation	282		-	-	-	-	-	-	-	-	-
4	Overheads and Other	283		(191,475)	(244,031)	(217,753)	(290,453)	(267,242)	(246,201)	(268,327)	(233,832)	(240,017)
5	Depreciation-Plant Held for Future Use	283		(1,974)	(2,531)	(2,253)	(2,531)	(2,531)	(3,088)	(2,810)	(3,644)	(3,366)
6	Bourbonnais Gain	282		(38,376)	(38,376)	(38,376)	(38,376)	(38,376)	(38,376)	(38,376)	(38,376)	(38,376)
7	Alternative Minimum Tax	283		-	-	-	-	-	-	-	-	-
8	Deferred State Income Tax	283		-	-	-	-	-	-	-	-	-
9	Tank Painting @ 6.40%	283		(2,883)	(1,973)	(2,428)	(1,063)	(1,518)	(153)	(608)	-	(77)
10	Pension	190		3,815	2,717	3,266	3,672	3,195	4,627	4,149	5,581	5,104
11	Tank Painting @ 7.18%	283		572	4,103	2,338	8,474	6,289	-28,768	(10,147)	-30,550	(29,659)
12	Rate Case Amortization	190		20,484	47,568	34,026	77,463	62,516	47,673	62,568	39,065	43,369
13	Software Development	283		(3,027)	(3,027)	(3,027)	(3,027)	(3,027)	(3,027)	(3,027)	(3,027)	(3,027)
14	Post-retirement Benefits	190		10,288	10,288	10,288	10,288	10,288	10,288	10,288	10,288	10,288
15	Excess Tax Depreciation	282		(1,554,642)	(1,653,257)	(1,603,950)	(1,742,894)	(1,698,076)	(1,776,264)	(1,759,579)	(1,853,549)	(1,814,907)
16	Cost of Removal / Loss	283		(85,398)	(86,394)	(85,896)	(86,492)	(86,443)	(86,492)	(86,492)	(86,492)	(86,492)
17	Contributions in Aid of Construction	190		685,899	685,899	685,899	685,899	685,899	685,899	685,899	685,899	685,899
18	Customer Advances	190		3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042
19	Alternative Minimum Tax	190		-	-	-	-	-	-	-	-	-
20	Miscellaneous	283		(4,691)	(4,691)	(4,691)	(4,691)	(4,691)	(4,691)	(4,691)	(4,691)	(4,691)
21	FASB 109 ITC	190		23,900	20,875	22,388	17,850	19,363	14,825	16,338	11,800	13,313
22	FASB 109 Rate Change - combined in '99	190		(63,977)	(63,977)	(63,977)	(63,977)	(63,977)	(63,977)	(63,977)	(63,977)	(63,977)
23	FASB 109 Flow Through	190		(33,377)	(33,377)	(33,377)	(33,377)	(33,377)	(33,377)	(33,377)	(33,377)	(33,377)
24	1996 & 1997 State Tax Return	190		3,190	2,535	2,863	943	1,739	943	943	943	943
25				-	-	-	-	-	-	-	-	-
26				-	-	-	-	-	-	-	-	-
27	Rev. - Excess Capacity at WBS			-	-	-	20,934	10,467	20,934	20,934	20,934	20,934
28	Rounding			-	(2)	(1)	1	(1)	1	1	1	1
29												
30	Total Deferred Income Taxes			\$ (1,224,433)	\$ (1,347,270)	\$ (1,285,852)	\$ (1,441,477)	\$ (1,394,374)	\$ (1,499,344)	\$ (1,470,411)	\$ (1,577,124)	\$ (1,538,234)

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F. Simpson

Debit / (Credit)		CIWC & ICC			TOTAL	Kankakee	TOTAL Proj.	Kankakee Proj.	TOTAL Proj.	Kankakee Proj.	Kankakee Proj.
		Account #		Description of Event	ADIT as of	ADIT as of	ADIT as of	ADIT as of	ADIT as of	ADIT as of	Ave. Future
					12/31/99	12/31/99	12/31/00	12/31/00	12/31/01	12/31/01	Test Year 2001
					(E)	(D x E)	(G)	(H)	(I)	(J)	(H + J)/2
Line	Components	(B)	(C)	(D)		(F)					(K)
	Rate Base Items Only			See Column A							
			Allocator	Allocation %							
1	Overheads and Other	283	Plant	33.53%	(1,646,512)	\$ (552,104)	\$ (1,335,789)	(\$447,913)	\$ (1,255,550)	(\$421,008)	\$ (434,461)
2	Tank Painting @ 46% FIT, 6.40% SIT	283	Expense	35.40%	(13,781)	(4,878)	(6,391)	(2,262)	-	0	(1,131)
3	Pension	190	Expense	42.29%	11,903	5,033	17,510	7,405	23,118	9,776	8,690
4	Tank Painting @ 34% FIT, 7.18% SIT	283	Expense	35.40%	41,527	14,700	(177,254)	(62,745)	(187,726)	(66,451)	(64,598)
5	Excess Tax Depreciation	282	Plant	33.53%	(9,964,113)	(3,341,140)	(10,172,876)	(3,411,142)	(10,599,851)	(3,554,314)	(3,482,728)
6	Alternative Minimum Tax	190	Plant	33.53%	385,496	129,263	385,496	129,263	385,496	129,263	129,263
7	Cost of Removal / Loss	283	Plant	33.53%	(548,798)	(184,021)	(548,798)	(184,021)	(548,798)	(184,021)	(184,021)
8	Contributions in Aid of Construction	190	Plant	33.53%	3,637,337	1,219,662	3,637,337	1,219,662	3,637,337	1,219,662	1,219,662
9	Customer Advances	190	Plant	33.53%	18,167	6,092	18,167	6,092	18,167	6,092	6,092
10											
11											
12											
13											
14	Total Deferred Income Taxes				\$ (8,078,774)	\$ (2,707,393)	\$ (8,182,598)	\$ (2,745,662)	\$ (8,527,807)	\$ (2,861,001)	\$ (2,803,331)



CONSUMERS ILLINOIS WATER COMPANY  
Kankakee Water Division  
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Period Reported: 1998 - 2001  
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Person Responsible: F. Simpson

### Detailed Listing of Balance Sheet Assets and Liabilities - Federal

<u>- Balance Sheet Asset or Liability Associated with Component of Deferred Taxes -</u>												
Line	Components (A)	CIWC & ICC Account # (B)	Balance 12/31/97 (C)	Balance 12/31/98 (D)	Average 1998 (E)	Balance 12/31/99 (F)	Average 1999 (G)	Proj. Balance 12/31/00 (H)	Average 2000 (I)	Proj. Balance 12/31/01 (J)	Average 2001 (K)	Rate Base Item (L)
1	Allowance for Doubtful Accounts	143	\$23,509	\$67,265	\$45,387	-\$78,987	-\$5,861	-\$78,987	-\$78,987	-\$78,987	-\$78,987	
2	Oak Run Negative Excess Depreciation	282	-56,955	-56,955	-56,955	-56,955	-56,955	-56,955	-56,955	-56,955	-56,955	
3	Overheads and Other	283	-2,669,932	-3,400,881	-3,035,407	-4,047,429	-3,724,155	-3,286,084	-3,666,757	-3,092,169	-3,189,127	X
4	Depreciation-Plant Held for Future Use	283	-76,691	-84,445	-80,568	-84,445	-84,445	-92,199	-88,322	-99,953	-96,076	
5	Bourbonnais Gain	282	-496,103	-496,103	-496,103	-496,103	-496,103	-496,103	-496,103	-496,103	-496,103	
6	Tank Painting @ 46% FIT	186	-45,035	-30,814	-37,925	-16,593	-23,704	-2,372	-9,483	0	-1,186	X
7	Pension	190	31,282	15,989	23,636	29,283	22,636	42,577	35,930	55,871	49,224	X
8	Tank Painting @ 34%	186	-18,634	30,548	5,957	91,429	60,989	-455,698	-182,135	-485,268	-470,483	X
9	Rate Case Amortization	186	150,535	527,745	339,140	944,109	735,927	529,207	736,658	409,315	469,261	
10	Software Development	283	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	
11	Post-retirement Benefits	190	143,285	143,285	143,285	143,285	143,285	143,285	143,285	143,285	143,285	
12	Excess Tax Depreciation	108	-20,985,275	-22,358,743	-21,672,009	-23,607,172	-22,982,958	-24,108,295	-23,857,733	-25,107,409	-24,607,852	X
13	Cost of Removal / Loss	283	-1,262,158	-1,276,028	-1,269,093	-1,277,390	-1,276,709	-1,277,390	-1,277,390	-1,277,390	-1,277,390	X
14	Contributions in Aid of Construction	271	8,820,294	8,820,294	8,820,294	8,820,294	8,820,294	8,820,294	8,820,294	8,820,294	8,820,294	X
15	Customer Advances	252	47,529	47,529	47,529	47,529	47,529	47,529	47,529	47,529	47,529	X
16	Miscellaneous		-17,532	-17,532	-17,532	-17,532	-17,532	-17,532	-17,532	-17,532	-17,532	
17												
18	Total Gross Timing Differences:		<u>-\$16,454,032</u>	<u>-\$18,110,997</u>	<u>-\$17,282,516</u>	<u>-\$19,648,828</u>	<u>-\$18,879,913</u>	<u>-\$20,330,874</u>	<u>-\$19,989,851</u>	<u>-\$21,277,623</u>	<u>-\$20,804,249</u>	

\* NOTE - THE COMPANY HAS INCLUDED / EXCLUDED IN RATE BASE THE TEST YEAR BALANCE OF THE ABOVE ASSETS AND LIABILITY BASED ON ITS UNDERSTANDING OF ICC ACCEPTED RATE BASE COMPONENTS

### Detailed Listing of Balance Sheet Assets and Liabilities - State

- Balance Sheet Asset or Liability Associated with Component of Deferred Taxes -												
Line	Components (A)	CIWC & ICC Account # (B)	Balance 12/31/97 (C)	Balance 12/31/98 (D)	Average 1998 (E)	Balance 12/31/99 (F)	Average 1999 (G)	Proj. Balance 12/31/00 (H)	Average 2000 (I)	Proj. Balance 12/31/01 (J)	Average 2001 (K)	Rate Base Item * (L)
1	Allowance for Doubtful Accounts	143	\$63,681	\$107,437	\$85,559	-\$38,815	\$34,311	-\$38,815	-\$38,815	-\$38,815	-\$38,815	
2	Oak Run Negative Excess Depreciation	282	0	0	0	0	0	0	0	0	0	
3	Overheads and Other	283	-1,911,000	-2,642,978	-2,276,989	-3,289,526	-2,966,252	-2,673,206	-2,981,366	-2,500,931	-2,587,069	X
4	Depreciation-Plant Held for Future Use	283	-25,974	-33,728	-29,851	-33,728	-33,728	-41,482	-37,605	-49,236	-45,359	
5	Bourbonnais Gain	282	-525,699	-525,699	-525,699	-525,699	-525,699	-525,699	-525,699	-525,699	-525,699	
6	Tank Painting @ 6.40%	186	-45,035	-30,814	-37,925	-16,593	-23,704	-2,372	-9,483	0	-1,186	X
7	Pension	190	53,134	37,841	45,488	51,135	44,488	64,429	57,782	77,723	71,076	X
8	Tank Painting @ 7.18%	186	-176,478	-127,296	-151,887	-66,415	-96,856	-613,542	-339,979	-643,113	-628,328	X
9	Rate Case Amortization	186	-242,377	134,833	-53,772	551,197	343,015	136,295	343,746	16,403	76,349	
10	Software Development	283	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	-42,151	
11	Post-retirement Benefits	190	143,285	143,285	143,285	143,285	143,285	143,285	143,285	143,285	143,285	
12	Excess Tax Depreciation	108	-22,203,484	-23,576,952	-22,890,218	-24,825,381	-24,201,167	-25,290,144	-25,057,763	-26,366,537	-25,828,341	X
13	Cost of Removal / Loss	283	-1,262,158	-1,276,028	-1,269,093	-1,277,390	-1,276,709	-1,277,390	-1,277,390	-1,277,390	-1,277,390	X
14	Contributions in Aid of Construction	271	9,484,851	9,484,851	9,484,851	9,484,851	9,484,851	9,484,851	9,484,851	9,484,851	9,484,851	X
15	Customer Advances	252	47,529	47,529	47,529	47,529	47,529	47,529	47,529	47,529	47,529	X
16	Miscellaneous		0	0	0	0	0	0	0	0	0	
17												
18	Total Gross Timing Differences:		<u>-\$16,641,876</u>	<u>-\$18,299,870</u>	<u>-\$17,470,873</u>	<u>-\$19,837,701</u>	<u>-\$19,068,786</u>	<u>-\$20,628,412</u>	<u>-\$20,233,057</u>	<u>-\$21,674,081</u>	<u>-\$21,151,247</u>	

\* NOTE - THE COMPANY HAS INCLUDED / EXCLUDED IN RATE BASE THE TEST YEAR BALANCE OF THE ABOVE ASSETS AND LIABILITY BASED ON ITS UNDERSTANDING OF ICC ACCEPTED RATE BASE COMPONENTS

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Kankakee Water Division

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Person Responsible:

F. Simpson

Proposed Test Year Period: Future

Period Reported: 2001

**Analysis of Investment Tax Credits - Federal**

Line	Year ITC Generated (A)	Original Amt. of ITC (B)	ITC Recaptures (C)	Test Year Amortization (D)	Total Amort. to 1/1/2001 (E)	Unamortized Beginning Balance (F)	Unamortized Ending Balance (G)	Test Year Ave. Balance (H)
1	1970 & Prior	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2								
3	1971	\$5,392		\$169	\$3,709	\$1,683	\$1,514	\$1,599
4	1972	20,336		652	13,163	7,173	6,521	6,847
5	1973	5,776		218	3,385	2,391	2,173	2,282
6	1974	14,436		462	8,889	5,547	5,085	5,316
7	1975	46,983		1,609	27,670	19,313	17,704	18,509
8	1976	28,697		981	15,950	12,747	11,766	12,257
9	1977	49,688		1,372	31,858	17,830	16,458	17,144
10	1978	44,234		1,482	23,484	20,750	19,268	20,009
11	1979	16,096		533	8,096	8,000	7,467	7,734
12	1980	32,221		1,179	14,545	17,676	16,497	17,087
13	1981	36,948		1,194	17,843	19,105	17,911	18,508
14	1982	89,111		2,895	42,799	46,312	43,417	44,865
15	1983	77,268		2,660	32,057	45,211	42,551	43,881
16	1984	49,360		1,506	22,260	27,100	25,594	26,347
17	1985	47,095		1,543	19,324	27,771	26,228	27,000
18	1986	31,387		1,048	11,474	19,913	18,865	19,389
19	1987	28,937		999	9,965	18,972	17,973	18,473
20	1988	1,738		59	557	1,181	1,122	1,152
21	1989	1,484		52	440	1,044	992	1,018
22	1990	1,221		42	348	873	831	852
23	1991	395		15	89	306	291	299
24	1997 Adj.	54			0	54	54	54
25								
26	Sub-total	628,857	0	20,670	307,905	320,952	300,282	310,617
27								
28	<b>TOTAL</b>	<b>\$628,857</b>	<b>\$0</b>	<b>\$20,670</b>	<b>\$307,905</b>	<b>\$320,952</b>	<b>\$300,282</b>	<b>\$310,617</b>

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Person Responsible: F. Simpson

Proposed Test Year Period: Future  
Period Reported: 2001

### Analysis of Investment Tax Credits - State

Line	Year ITC Generated (A)	Original Amt. of ITC (B)	ITC Recaptures (C)	Test Year Amortization (D)	Total Amort. to 1/1/2001 (E)	Unamortized Beginning Balance (F)	Unamortized Ending Balance (G)	Test Year Ave. Balance (H)
1	1970 & Prior	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2				Detail not available at time of filing.				
3	1971	\$0		\$612	\$0	\$15,332	\$14,720	\$15,026
4	1972	0		0	0	0	0	0
5	1973	0		0	0	0	0	0
6	1974	0		0	0	0	0	0
7	1975	0		0	0	0	0	0
8	1976	0		0	0	0	0	0
9	1977	0		0	0	0	0	0
10	1978	0		0	0	0	0	0
11	1979	0		0	0	0	0	0
12	1980	0		0	0	0	0	0
13	1981	0		0	0	0	0	0
14	1982	0		0	0	0	0	0
15	1983	0		0	0	0	0	0
16	1984	0		0	0	0	0	0
17	1985	0		0	0	0	0	0
18	1986	0		0	0	0	0	0
19	1987	0		0	0	0	0	0
20	1988	0		0	0	0	0	0
21	1989	0		0	0	0	0	0
22	1990	0		0	0	0	0	0
23	1991	0		0	0	0	0	0
24								
25	Sub-total	0	0	612	0	15,332	14,720	15,026
26								
27	TOTAL	\$0	\$0	\$612	\$0	\$15,332	\$14,720	\$15,026

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Period Reported: 1998 - 2001  
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D. Leppert

# Deferred Charges

Line	Description (A)	Time Period Charges Recorded (B)	Amortization Period (C)	Authorizing ICC Docket #s (D)	Balance at 1/1/98 (E)	Balance at 12/31/98 (F)
1	Tank Painting	Various	Various	Various	\$104,321	\$220,644
2	Cylinder Deposits				24,276	39,276
3					\$128,597	\$259,920
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15		Balance at	Balance at	Balance at	Average	Amortization
16		12/31/99	12/31/00	12/31/01	Balance in	Expense
17		(G)	(H)	(I)	(J)	(K)
18	Tank Painting	\$192,217	\$232,615	\$302,608	\$267,612	\$45,007
19	Cylinder Deposits	8,400	8,400	8,400	8,400	0
20		\$200,617	\$241,015	\$311,008	\$276,012	\$45,007

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Person Responsible:

D. Leppert

Proposed Test Year Period: Future  
Period Reported: 2001

**Property Held for Future Use Included in Rate Base**

<u>Line</u>	<u>Description and Location</u> <u>of Property</u> <u>(A)</u>	<u>Date of</u> <u>Acquisition</u> <u>(B)</u>	<u>Original</u> <u>Cost</u> <u>(C)</u>	<u>Accumulated</u> <u>Depreciation</u> <u>(D)</u>	<u>Net</u> <u>Original</u> <u>Cost</u> <u>(E)</u>	<u>Revenue Realized</u> <u>Amount</u> <u>(F)</u>	<u>Account</u> <u>Number</u> <u>(G)</u>	<u>Description</u> <u>(H)</u>	<u>Expenses Incurred</u> <u>Amount</u> <u>(I)</u>	<u>Account</u> <u>Number</u> <u>(J)</u>	<u>Description</u> <u>(K)</u>	<u>Expected Date</u> <u>In Service and</u> <u>Use of Property</u> <u>(L)</u>
1	Schuyler Avenue		\$207,756	\$35,544	\$172,212	\$0	N/A		\$0	N/A		

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Person Responsible:

D. Leppert

Proposed Test Year Period: Future

Period Reported: 1998 - 2001

Prior Year (1999) 12 Mo. Actual

**Analysis of Activity in Property Held for Future Use**

<u>Line</u>	Description and Location of Property	1998	1999	2000	2001
	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>
1	None - Please see adjustment to Property Held For Future Use on Schedule B-2.2				

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Person Responsible:

D. Leppert

Period Reported: 1998 - 2001

Prior Year (1999) 12 Mo. Actual

**Customer Deposits**

<u>Line</u>	<u>Month</u> <u>(A)</u>	1998 <u>(B)</u>	1999 <u>(C)</u>	Projected 2000 <u>(D)</u>	Projected 2001 <u>(E)</u>
1	January	\$74	\$74	\$127	\$127
2					
3	February	74	74	127	127
4					
5	March	74	74	127	127
6					
7	April	74	127	127	127
8					
9	May	74	127	127	127
10					
11	June	74	127	127	127
12					
13	July	74	127	127	127
14					
15	August	74	127	127	127
16					
17	September	74	127	127	127
18					
19	October	74	127	127	127
20					
21	November	74	127	127	127
22					
23	December	\$74	\$127	127	127
24					
25					
26	Interest Accrued:	\$0	\$0	\$0	\$0
27					
28					
29	Account Charged:	N/A	N/A	N/A	N/A



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Prior Year (1999) 12 Mo. Actual

**Budget Payment Plan Balances**

<u>Line</u>	<u>Month</u> <u>(A)</u>	1998 <u>(B)</u>	1999 <u>(C)</u>	Projected 2000 <u>(D)</u>	Projected 2001 <u>(E)</u>
1	January	\$0	\$0	\$0	\$0
2					
3	February	0	0	0	0
4					
5	March	0	0	0	0
6					
7	April	0	0	0	0
8					
9	May	0	0	0	0
10					
11	June	0	0	0	0
12					
13	July	0	0	0	0
14					
15	August	0	0	0	0
16					
17	September	0	0	0	0
18					
19	October	0	0	0	0
20					
21	November	0	0	0	0
22					
23	December	0	0	0	0
24					
25					
26	Interest Accrued:	\$0	\$0	\$0	\$0
27					
28					
29	Account Charged:	N/A	N/A	N/A	N/A

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Proposed Test Year Period: Future  
Period Reported: 2000 - 2001  
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Additions to and Transfers From Customer Advances and Contributions in Aid of Construction

<u>Customer Advances:</u>		Advances at	2000	2000	2000	Projected	2001	2001	2001	Projected	Ave. Future
Advance Activity Description / Date		12/31/99	Additions	Refunds	Transfers	Advances at	Additions	Refunds	Transfers	Advances at	Test Year
<u>Line</u>	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>	<u>(F)</u>	<u>(G)</u>	<u>(H)</u>	<u>(I)</u>	<u>(J)</u>	<u>(K)</u>
1	1998 change - net	\$233,804				\$233,804				\$233,804	\$233,804
2		0				0				0	0
3	1999 change - net	107,830				107,830				107,830	107,830
4		0				0				0	0
5	2000 change - net	0	0	-52,684		-52,684				-52,684	-52,684
6		0				0				0	0
7	2001 change - net	0				0	0	-28,010		-28,010	-14,005
8		0				0				0	0
9		0				0				0	0
10		0				0				0	0
11		0				0				0	0
12		0				0				0	0
13		0				0				0	0
14		0				0				0	0
15		0				0				0	0
16		0				0				0	0
17		0				0				0	0
18		0				0				0	0
19		0				0				0	0
20		0				0				0	0
21		0				0				0	0
22		0				0				0	0
23		0				0				0	0
24		0				0				0	0
25		0				0				0	0
26		0				0				0	0
27		0				0				0	0
28		0				0				0	0
29		0				0				0	0
30		0				0				0	0
31		0				0				0	0
32		0				0				0	0
33		0				0				0	0
34	12/31/97 Balance	<u>241,986</u>				<u>241,986</u>				<u>241,986</u>	<u>241,986</u>
35	Total Customer Advances	\$583,620	\$0	-\$52,684	\$0	\$530,936	\$0	-\$28,010	\$0	\$502,926	\$516,931

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Proposed Test Year Period: Future  
Period Reported: 1998 and 1999  
Prior Year (1999) 12 Mo. Actual

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Person Responsible: D. Leppert

**Additions to and Transfers From Customer Advances and Contributions in Aid of Construction**

Customer Advances:										
Line	Advance Activity Description / Date (A)	Advances at 12/31/97 (B)	1998 Additions (C)	1998 Refunds (D)	1998 Transfers (E)	Advances at 12/31/98 (F)	1999 Additions (G)	1999 Refunds (H)	1999 Transfers (I)	Advances at 12/31/99 (J)
1	1998 change - net		\$233,804			\$233,804				\$233,804
2						0				0
3	1999 change - net						107,830			107,830
4						0				0
5						0				0
6						0				0
7						0				0
8						0				0
9						0				0
10						0				0
11						0				0
12						0				0
13						0				0
14						0				0
15						0				0
16						0				0
17						0				0
18						0				0
19						0				0
20						0				0
21						0				0
22						0				0
23						0				0
24						0				0
25						0				0
26						0				0
27						0				0
28						0				0
29						0				0
30						0				0
31						0				0
32						0				0
33						0				0
34	12/31/97 Balance	241,986				241,986				241,986
35	Total Customer Advances	\$241,986	\$233,804	\$0	\$0	\$475,790	\$107,830	\$0	\$0	\$583,620

Proposed Test Year Period: Future  
Period Reported: 1997 and 1998  
Prior Year (1999) 12 Mo. Actual

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**Contributions in Aid of Construction:**

<u>Contributions in Aid of Construction:</u>		CIAC at	2000	2000	2000	Projected	2001	2001	2001	Projected	Ave. Future
Line	Advance Activity Description / Date	12/31/99	Additions	Other	Transfers	CIAC at	Additions	Other	Transfers	CIAC at	Test Year
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
1	1998 change - net	-\$21,104			\$0	-\$21,104			\$0	-\$21,104	-\$21,104
2		0			0	0			0	0	0
3	1999 change - net	61,288			0	61,288			0	61,288	61,288
4		0			0	0			0	0	0
5	2000 change - net	0			0	0			0	0	0
6		0			0	0			0	0	0
7	2001 change - net	0			0	0			0	0	0
8		0			0	0			0	0	0
9		0			0	0			0	0	0
10		0			0	0			0	0	0
11		0			0	0			0	0	0
12		0			0	0			0	0	0
13		0			0	0			0	0	0
14		0			0	0			0	0	0
15		0			0	0			0	0	0
16		0			0	0			0	0	0
17		0			0	0			0	0	0
18		0			0	0			0	0	0
19		0			0	0			0	0	0
20		0			0	0			0	0	0
21		0			0	0			0	0	0
22		0			0	0			0	0	0
23		0			0	0			0	0	0
24		0			0	0			0	0	0
25		0			0	0			0	0	0
26		0			0	0			0	0	0
27		0			0	0			0	0	0
28		0			0	0			0	0	0
29	12/31/97 Balance	<u>8,509,876</u>				<u>8,509,876</u>				<u>8,509,876</u>	<u>8,509,876</u>
30	Total Contributions in Aid:	\$8,550,060	\$0	\$0	\$0	<u>\$8,550,060</u>	\$0	\$0	\$0	<u>\$8,550,060</u>	<u>\$8,550,060</u>
31											
32											
33											
34		<u>12/31/99</u>		<u>2000</u>		<u>12/31/00</u>		<u>2001</u>		<u>12/31/01</u>	<u>Ave. Test Year</u>
35	Amortization of CIAC	\$1,313,996		\$128,814		<u>\$1,442,810</u>		\$128,814		<u>\$1,571,624</u>	<u>\$1,507,217</u>

CONSUMERS ILLINOIS WATER COMPANY  
Kankakee Water Division  
Rate Case Docket No. 00-

Proposed Test Year Period: Future  
Period Reported: 1998 and 1999  
Prior Year (1999) 12 Mo. Actual

Schedule B - 15  
Page 4 of 4  
Person Responsible: D. Leppert

### Additions to and Transfers From Customer Advances and Contributions in Aid of Construction

<u>Contributions in Aid of Construction:</u>										
	Advance Activity Description / Date	CIAC at	1998	1998	1998	CIAC at	1999	1999	1999	CIAC at
	(A)	12/31/97	Additions	Other	Transfers	12/31/98	Additions	Other	Transfers	12/31/99
Line		(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
1	1998 change - net		-\$21,104		\$0	-\$21,104				-\$21,104
2					0	0				0
3	1999 change - net				0	0	61,288			61,288
4					0	0				0
5					0	0				0
6					0	0				0
7					0	0				0
8					0	0				0
9					0	0				0
10					0	0				0
11					0	0				0
12					0	0				0
13					0	0				0
14					0	0				0
15					0	0				0
16					0	0				0
17					0	0				0
18					0	0				0
19					0	0				0
20					0	0				0
21					0	0				0
22					0	0				0
23					0	0				0
24					0	0				0
25					0	0				0
26					0	0				0
27					0	0				0
28					0	0				0
29	12/31/97 Balance	<u>8,509,876</u>				<u>8,509,876</u>				<u>8,509,876</u>
30	Total Contributions in Aid:	\$8,509,876	-\$21,104	\$0	\$0	\$8,488,772	\$61,288	\$0	\$0	\$8,550,060
31										
32										
33										
34		<u>12/31/97</u>		<u>1998</u>		<u>12/31/98</u>		<u>1999</u>		<u>12/31/99</u>
35	Amortization of CIAC	\$1,057,996		\$127,799		\$1,185,795		\$128,201		\$1,313,996

**CONSUMERS ILLINOIS WATER COMPANY**

Kankakee Water Division  
Rate Case Docket No. 00-

Proposed Test Year Period: Future  
Period Reported: 2000 & 2001

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Person Responsible: F. Simpson

**FAS 87 - Pension**

<u>Line</u>	<u>(A)</u>	2000 <u>(B)</u>	2001 <u>(C)</u>	Ave. 2001 <u>(D)</u>
1	CIWC Projected Reserve	\$320,794	\$334,088	
2				
3				
4				
5	<u>Expense:</u>			
6				
7	Kankakee Water -	<u>5,629</u>	<u>5,615</u>	
8	CIWC Total -	13,294	13,294	
9				
10				
11				
12	Kankakee Water % (Line 7/8):	42.34%	42.24%	
13				
14				
15				
16				
17				
18	Kankakee Water Amount (Line 1 X 12):	<u>\$135,835</u>	<u>\$141,110</u>	<u>\$138,472</u>

Proposed Test Year Period: Future  
Period Reported: 2001

### Jurisdictional Operating Income Summary

Line	Description (A)	Unadjusted Total Balance at Present Rates (B)	Unadj. Jurisdictional Balance at Present Rates (C)	Adjustments (D)	Test Year Present Rates (E)	Rate Increase and Related Adjustments (F)	Pro Forma Balance at Proposed Rates (G)
1	Operating Revenue	\$24,190,838	\$8,482,994	\$22,253	\$8,505,247	\$1,625,808	\$10,131,055
2							
3	Operation and Maintenance Expense	11,553,929	4,871,773	26,298	4,898,071	12,700	4,910,771
4	Depreciation	3,752,305	1,212,716	-66,993	1,145,723		1,145,723
5	Amortization of Utility Plant Acq. Adjust.	5,410	0	0	0		0
6	Amortization - Transaction Costs	0	0	0	0		0
7	Taxes Other Than Income	1,555,325	549,041	0	549,041		549,041
8	Income Taxes:						
9	Federal	1,308,866	250,617	16,987	267,604	524,050	791,654
10	State	289,481	55,389	3,754	59,143	115,821	174,965
11	Amortization of I. T. C.	-49,968	-21,282	0	-21,282		-21,282
12	Total Operating Expenses	18,415,348	6,918,254	-19,954	6,898,300	652,571	7,550,872
13							
14	Utility Operating Income	\$5,775,490	\$1,564,740	\$42,207	\$1,606,947	\$973,236	\$2,580,183
15							
16	Rate Base	\$81,836,688	\$25,922,115	\$521,109	\$26,443,224	\$0	\$26,443,224
17							
18	Rate of Return	7.06%	6.04%		6.08%		9.76%

**CONSUMERS ILLINOIS WATER COMPANY**

Kankakee Water Division  
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Person Responsible:

D. Leppert

Proposed Test Year Period: Future

Period Reported: Average 2001

**Summary of Utility Proposed Adjustments to Operating Income**

<u>Line</u>	<u>Account Number</u>	<u>Operating Income Statement Category</u>	<u>Adjustments (C-1, Col. D)</u>	<u>Rate Increase and Related Adjustments (C-1, Col. F)</u>	<u>Total Utility Proposed Adjustments</u>	<u>Associated Income Taxes</u>		<u>Net Operating Income</u>	<u>Supporting Schedule</u>
						<u>State</u>	<u>Federal</u>		
1	460-474	Operating Revenues	\$22,253	\$1,625,808	\$1,648,061	-\$118,331	-\$535,405	\$994,324	C - 2.1
2									
3	601	Salaries & Wages, Employees	0		0	0	0	0	
4	603	Salaries & Wages, Officers	0		0	0	0	0	
5	604	Employee Pensions & Benefits	0		0	0	0	0	
6	615 & 616	Purchased Power & Fuel for Power Prod.	0		0	0	0	0	
7	618	Chemicals	0		0	0	0	0	
8	620	Materials & Supplies	0		0	0	0	0	
9	631	Contractual Services - Engineering	0		0	0	0		
10	632	Contractual Services - Accounting	0		0	0	0	0	
11	633	Contractual Services - Legal	0		0	0	0	0	
12	634	Contractual Services - Management	0		0	0	0	0	
13	635	Contractual Services - Other	0		0	0	0	0	
14	641 - 642	Lease Expense	0		0	0	0	0	
15	650	Transportation Expense	0		0	0	0	0	
16	656 - 659	Insurance Expense	0		0	0	0	0	
17	667	Regulatory Commission Exp. Amortization	26,124		26,124	-1,876	-8,487	-15,762	C - 2.2
18	670	Bad Debt Expense	174	12,700	12,874	-924	-4,182	-7,767	C - 2.3
19	675	Miscellaneous Expense	0		0	0	0	0	
20		SUB-TOTAL O&M	26,298	12,700	38,998	-2,800	-12,669	-23,529	
21	403	Depreciation	-66,993		-66,993	4,810	21,764	40,419	C - 2.4
24	408	Taxes Other Than Income	0		0	0	0	0	
25		TOTAL EXPENSES (Excluding Income Tax)	-40,695	12,700	-27,995	2,010	9,095	16,890	
26									
27	409 - 411	Income Taxes - Federal	16,987	524,050	541,037		-544,500	3,463	C - 2.5
28	409 - 411	State	3,754	115,821	119,576	-120,341		765	C - 2.5
29									
31		Net Operating income	\$42,207	\$973,236	\$1,015,443	\$0	\$0	\$1,015,443	



**CONSUMERS ILLINOIS WATER COMPANY**

Kankakee Water Division

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C - 2.1

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D. Leppert

Proposed Test Year Period: Future

**Detailed Adjustments to Operating Income****Operating Revenues**

Line	Description (A)	Pro Forma Present Revenue (B)	Proposed Adjustments (C)	Proposed Revenue (D)
1	Metered Residential	\$4,863,324	\$929,641	\$5,792,965
2				
3	Metered Commercial	1,541,368	294,638	1,836,006
4				
5	Metered Industrial	1,289,816	246,553	1,536,369
6				
7	Multiple Family Dwellings	163,013	31,161	194,174
8				
9	Sales to Other Utilities	<u>99,198</u>	<u>18,962</u>	<u>118,160</u>
10	Sub-total - Tariff Revenues	\$7,956,719	\$1,520,955	\$9,477,674
11				
12	Public Fire Protection	408,756	78,135	486,891
13	Private Fire Protection	45,858	8,766	54,624
14				
15	Other Revenue	93,914	17,952	111,866
16				
17	Unlocated	0	0	0
18				
19	TOTAL	\$8,505,247	\$1,625,808	\$10,131,055

CONSUMERS ILLINOIS WATER COMPANY  
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D. Leppert

Period Reported: 2001

### Detailed Adjustments to Operating Income

<u>Operating Revenues</u>		UNADJUSTED	ADJUSTMENT	ADJUSTED
		PRESENT	TO PRESENT	PRESENT
		RATES	(C)	RATES
Line	Rate Classification (A)	(B)		(To C-2.1 p1) (D)
1	Residential	\$4,863,324		\$4,863,324
2				
3	Commercial	1,541,368		1,541,368
4				
5	Industrial	1,289,816		1,289,816
6				
7	Multiple Family Dwellings	163,013		163,013
8				
9	Sales to Other Utilities	<u>99,198</u>		<u>99,198</u>
10				
11	Total:	7,956,719	0	7,956,719
12				
13				
14	Public Fire	386,503	22,253 (1)	408,756
15				
16	Private Fire	<u>45,858</u>		<u>45,858</u>
17				
18	Total Fire:	432,361	22,253	454,614
19				
20				
21	<u>Metered Adjustments</u>			
22	Forfeited Discounts	40,491		40,491
23	Misc. Service Revenues	0		0
24	Rents from Water Property	0		0
25	Other Water Revenues	<u>53,423</u>		<u>53,423</u>
26				
27	Total Other:	93,914	0	93,914
28				
29				
30	TOTAL	\$8,482,994	\$22,253	\$8,505,247

(1) Adjustment made to reflect Town of Bradley Fire protection revenues paid directly by residents.

**CONSUMERS ILLINOIS WATER COMPANY**Kankakee Water Division  
Rate Case Docket No. 00-

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Person Responsible:

C - 2.2

1 of 1

F. Simpson

Period Reported: 2001

**Detailed Adjustments to Operating Income**Line

1	<b><u>Regulatory Commission Expense Amortization</u></b>	
2		
3	An adjustment is made to reflect an 18 month amortization of rate case expense. The amount	
4	shown below represents costs allocated to the Kankakee Water Division (see also Schedule C - 10 & C - 10.1).	
5		
6		
7		
8		
9	Outside Consultants / Witnesses	\$45,681
10		
11	Outside Legal Services	34,131
12		
13	Other Expenses	<u>75,318</u>
14		
15	Sub-total	\$155,130
16		
17	Amortization of Prior Rate Case Expense	
18	from Docket No. 95-0342, 95-0351, 99-0288	<u>73,370</u>
19		
20	Total Rate Case Cost to be Amortized	\$228,500
21		
22		
23	Amortization Period (18 Months)	<u>1.5</u>
24		
25		
26	Pro Forma Annual Rate Case Amortization Expense	\$152,333
27		
28		
29	Forecast	<u>126,209</u>
30		
31		
32		
33	Pro Forma Adjustment	<b><u>\$26,124</u></b> (WP-C1, line 17)

CONSUMERS ILLINOIS WATER COMPANY

Kankakee Water Division  
Rate Case Docket No. 00-

Period Reported: 2001

Schedule

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Person Responsible:

D. Leppert

## Detailed Adjustments to Operating Income

Line

**Bad Debt Expense**

2

3

Bad debt expense is adjusted based upon pro forma revenues at present and proposed rates.

4

5

6

Adjustment at Present Rates:

7

8

9

Unadjusted Jurisdictional Balance at Present Rates \$8,482,994

10

Pro Forma Revenues at Present Rates \$8,505,247

11

Percentage Increase 0.26%

12

13

14

Unadjusted Jurisdictional Bad Debt Expense at Present Rates \$66,265

15

% Metered Revenue Increase from Above 0.26%

16

Pro Forma Bad Debt Expense at Present Rates \$66,439

17

Unadjusted Jurisdictional Bad Debt Expense at Present Rates \$66,265

18

Pro Forma Present Adjustment \$174 (WP-C1, line 18)

19

20

21

Adjustment at Proposed Rates:

22

23

24

Pro Forma Revenue at Present Rates \$8,505,247

25

Pro Forma Revenue at Proposed Rates \$10,131,055

26

Percentage Increase 19.12%

27

28

29

Pro Forma Bad Debt Expense at Present Rates \$66,439

30

% Revenue Increase from Above 19.12%

31

Pro Forma Bad Debt Expense at Proposed Rates \$79,139

32

Pro Forma Bad Debt Expense at Present Rates 66,439

33

34

35

Pro Forma Proposed Adjustment \$12,700 (WP-C1, line 18)

Period Reported: 2001

## Detailed Adjustments to Operating Income

Line	Account Number	Account Description	Unadjusted Depreciable Plant Investment (C - 12 p1) (C)	Pro Forma Retirements (B-4) (D)	Pro Forma Reclasses (B-4) (E)	Adjusted Depreciable Plant Investment (C + D + E) (F)	Proposed Accrual Rate (G)	Adjusted Test Year Depreciation Expense (F x G) (H)	Unadjusted Test Year Depreciation Expense (C - 12 p1) (I)	Depreciation Expense Adjustment (H - I) (J)
1		<b>Depreciation Expense</b>								
2		Depreciation expense is adjusted per pro forma adjustments to depreciable Utility Plant In Service as shown on B-4, as well as								
3		to depreciate estimated Data Processing Equipment balance at a proposed rate of 20.0%.								
4										
5										
6										
7										
8										
9										
10										
11	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
12		<b>Source of Supply</b>								
13	304	Structures and Improvements	\$18,726	\$0	\$0	\$18,726	4.17%	\$781	\$781	\$0
14	305	Collecting & Impounding Reservoirs	0	0	0	0	0.00%	0	0	0
15	306	Lake, River and Other Intakes	94,131	0	0	94,131	1.47%	1,384	1,384	0
16	307	Wells and Springs	28,915	0	0	28,915	1.67%	483	483	0
17	309	Supply Mains	45,120	0	-45,120	0	0.00%	0	0	0
18										
19										
20		<b>Pumping Plant</b>								
21	304	Structures and Improvements	526,353	0	0	526,353	2.27%	11,948	11,950	-2
22	310	Power Generating Equipment	248,324	0	0	248,324	3.33%	8,269	8,196	73
23	311	Electric Pumping Equipment	550,613	-15,078	0	535,535	3.13%	16,762	17,237	-475
24		<b>Water Treatment Plant</b>								
25	304	Structures and Improvements	2,986,963	-483	0	2,986,480	2.78%	83,024	81,558	1,466
26	320	Water Treatment Equipment	3,093,247	-17,042	0	3,076,205	3.57%	109,821	110,350	-529
27										
28		<b>Transmission &amp; Dist. Plant</b>								
29	304	Structures and Improvements	265,610	0	0	265,610	4.17%	11,076	11,078	-2
30	330	Dist. Reservoirs & Standpipes	2,395,592	0	0	2,395,592	1.67%	40,006	40,013	-7
31	331	T & D Mains	21,190,962	0	45,120	21,236,082	1.89%	401,362	237,873	163,489
32	333	Services	7,786,055	0	0	7,786,055	3.33%	259,276	258,084	1,192
33	334	Meters	2,033,953	0	0	2,033,953	6.21%	126,308	126,072	236
34	334	Meter Installations	1,383,529	0	0	1,383,529	4.44%	61,429	61,101	328
35	335	Hydrants	2,117,020	0	0	2,117,020	3.95%	83,622	82,756	866
36	339	Other Plant & Misc. Equipment	15,631	0	-15,631	0	0.00%	0	0	0
37		<b>General Plant</b>								
38	304	Structures and Improvements	595,454	0	0	595,454	4.00%	23,818	66,121	-42,303
39	344	Laboratory Equipment	91,402	-6,513	0	84,889	5.00%	4,244	4,571	-327
40	340	Office Furniture and Equipment	828,166	-161,666	-386,004	280,496	4.74%	13,295	106,990	-93,695
41	340	Data Processing Equipment	0	0	401,635	401,635	20.00%	80,327	0	80,327
42	342	Stores Equipment	5,736	-4,906	0	830	3.28%	27	188	-161
43	345	Power Equipment	228,096	-7,336	0	220,760	5.00%	11,038	11,407	-369
44	346	Communication Equipment	251,778	-22,227	0	229,551	12.50%	28,694	31,478	-2,784
45	347	Miscellaneous Equipment	7,132	-7,132	0	0	0.00%	0	0	0
46	341	Transportation Equipment	714,597	-21,055	0	693,542	10.77%	74,694	78,318	-3,624
47	343	Tools, Shop and Garage Equip.	547,050	-125,609	0	421,441	7.31%	30,807	39,905	-9,098
48										
49		Subtotal:	\$48,050,156	-\$389,048	\$0	\$47,661,108		\$1,482,497	\$1,387,894	\$94,603
50										
51		Less: Contributions In Aid of Construction:	-8,550,060	0		-8,550,060	1.89%	-161,596		-161,596
52										
53		TOTAL:	\$39,500,096	-\$389,048	\$0	\$39,111,048		\$1,320,901		-\$66,993

**CONSUMERS ILLINOIS WATER COMPANY**

Kankakee Water Division  
Rate Case Docket No. 00-

Period Reported: 2001

Schedule

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Person Responsible:

F. Simpson

### Detailed Adjustments to Operating Income

Line

1 **Income Taxes**

2

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The adjustment to Federal and State Income Taxes reflects the changes in Unadjusted Jurisdictional Balance at Present Rates to Pro Forma at Present Rates. The adjustment also reflects the changes in Pro Forma at Present Rates to Pro Forma Balance at Proposed Rates.

<u>Tax Item</u>	<u>Unadjusted at Present</u>	<u>Adjustment</u>	<u>Test Year at Present</u>	<u>Adjustment</u>	<u>ProForma at Proposed</u>
Federal Income Tax	\$250,617	\$16,987	\$267,604	\$524,050	\$791,654 (WP-C1, line 28)
State Income Tax	\$55,389	\$3,754	\$59,143	\$115,821	\$174,965 (WP-C1, line 29)

Unadjusted Present, Pro Forma Present and Proposed Calculations are reflected on C - 5.

## Sales Statistics - Total Company

Proposed Test Year Period: Future  
Period Reported: 1995 - 2001  
Prior Year (1999) 12 Mo. Actual

### Historical - All Under Commission Jurisdiction

Line	Customer Classification (A)	1995 Revenues (B)	1995 MG Sales Volume (C)	1996 Revenues (D)	1996 MG Sales Volume (E)	1997 Revenues (F)	1997 MG Sales Volume (G)	1998 Revenues (H)	1998 MG Sales Volume (I)
1	Residential	\$10,642,032	2,734.5	\$11,331,895	2,655.1	\$12,326,526	2,689.3	\$13,840,669	2,607.5
2									
3	Commercial	3,486,534	1,598.7	3,772,245	1,582.7	3,607,688	1,389.5	3,912,573	1,415.0
4									
5	Industrial	2,863,457	2,021.7	2,355,241	1,803.9	2,097,653	1,716.3	2,234,232	1,730.5
6	Public Fire Protection	908,034		968,339		1,009,462		1,056,540	
7	Private Fire Protection	143,503		132,758		131,618		145,563	
8	All Other Operating Revenue	1,351,914		1,397,042		1,529,940		981,335	
9	Sales For Resale	<u>564,519</u>	<u>187.1</u>	<u>623,041</u>	<u>271.9</u>	<u>639,447</u>	<u>458.1</u>	<u>688,145</u>	<u>464.3</u>
10									
11	Total:	\$19,959,993	6,542.0	\$20,580,561	6,313.5	\$21,342,334	6,253.1	\$22,859,057	6,217.4
12									
13									
14									

### Projected - All Under Commission Jurisdiction

Line		1999 Revenues	1999 (mg) Sales Volume	2000 Revenues	2000 (mg) Sales Volume	2001 Revenues	2001 (mg) Sales Volume
17							
18							
19							
20	Residential	\$14,633,668	2,720.1	\$14,135,840	2,775.2	\$14,269,841	2,801.5
21							
22	Commercial	4,014,578	1,410.0	4,187,128	1,437.3	4,208,773	1,446.7
23							
24	Industrial	2,436,833	1,818.1	2,519,056	1,868.8	2,518,915	1,868.7
25	Public Fire Protection	1,079,224		1,079,039		1,080,218	
26	Private Fire Protection	158,488		154,427		157,170	
27	All Other Operating Revenue	1,565,997		1,884,527		1,430,137	
28	Sales For Resale	<u>671,470</u>	<u>415.0</u>	<u>525,795</u>	<u>272.0</u>	<u>525,784</u>	<u>272.0</u>
29							
30	Total:	\$24,560,258	6,363.2	\$24,485,812	6,353.3	\$24,190,838	6,388.9